
**DEPARTMENT OF HUMAN SERVICES
FAMILY INDEPENDENCE
FOOD STAMPS**

TANF or PaS Reference

CFR 273.8

Section: **FS-333-1**

ASSET ELIGIBILITY STANDARDS

Maximum Allowable Assets

Different
Chapter III

GENERAL RULE - Count assets of all household members, disqualified individuals and aliens. The Value of non excluded assets, except for licensed vehicles, shall be equity value (fair market value less encumbrances).

MAXIMUM COUNTABLE ASSETS ALLOWED

1. \$2,000.00 for all households with no members age sixty or over.
2. \$3,000.00 for households with a member age sixty or over.

Same
Chapter III

EXCEPTION: Jointly Owned Assets - If the household demonstrates that it has access to only a portion of the asset, that portion is counted toward the household's assets. Ownership of a joint bank account is determined as follows: joint bank accounts shall be assumed to be owned by the household unless it presents convincing evidence that a non-household member has contributed all, or part, of the money. That portion proved to have been contributed by a non-household member shall be excluded.

Different
Chapter III

This exception does not apply to jointly owned vehicles. For jointly owned vehicles, see general rule at FS-333-3.

Same
Chapter III

NOTE: Consider jointly held assets inaccessible, regardless of ownership, to persons residing in shelters for battered women and children if agreement by spouse is required (FS 444-6).

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Maximum Allowable Assets

Different
Chap II, Sec D

Assets of Ineligible Alien/Disqualified Member -
Assets are counted whether or not they receive benefits as part of the household (FS 444-1).

NOTE: Do not count assets of ineligible students (FS 444-7).

Different
Chap II, Sec C

Assets of Alien's Sponsor - The total amount of countable assets minus \$2000.00 of the sponsor and his spouse, if living together, shall be counted towards the alien's asset level (\$3000.00, if either is elderly or disabled). FS 444-1

NOTE: This does not apply to refugees.

Examples of Assets:

Liquid Assets

Different
Chap II, Sec. B

Cash, checking, savings, Christmas Club accounts, stocks, bonds, credit union

shares
Chap II, Sec. C

Non-recurring lump sum payments, Certificates of Deposits (C.D.'s), etc.

Individual Retirement Accounts (IRA's) and Keogh Plans which do not include a contract with a non-household member are also countable. Use cash value minus penalty for early withdrawal.

Non-Liquid Assets

Personal property, licensed and unlicensed vehicles including recreational vehicles (boats, snowmobiles, etc.), buildings and land, recreational property and other property not specifically excluded (FS 333-2).

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CFR 273.8

Section: **FS-333-2**

ASSET ELIGIBILITY STANDARDS

Asset Exclusions

GENERAL RULE - Exclude the following when determining assets.

- | | |
|------------------------------|--|
| Different | 1. Exclude the home in which the household lives and the surrounding lot, if not separated by property owned by someone else. Also excluded is the home and lot which is temporarily unoccupied because of employment, job training, illness, or disaster. The household must intend to return in order to qualify for the exclusion of the unoccupied home and lot. |
| Different
Chap. II, Sec B | 2. Exclude lot on which household plans to build, or is building, if household <u>does not</u> already own (or is buying) their home. |
| Same
Chap. II, Sec. B | 3. Exclude vehicles used as the household's home. |
| | 4. Exclude assets with cash value not accessible to the household such as: |
| Same
Chap II, Sec. B | a. property in probate, or property which is inaccessible due to other legal action; |
| Different | <p><u>EXCEPTION:</u> this exclusion does not apply to jointly owned vehicles if the household member has possession of, or use of, the jointly owned vehicle.</p> |
| Different
Chap II, Sec. B | b. real property which the household is making a good faith effort to sell at a reasonable price; |
| | <p><u>NOTE:</u> Verify "good faith effort to sell" through documentation that the property is offered for sale in a newspaper or through a real estate broker.</p> |

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ASSET ELIGIBILITY STANDARDS

Asset Exclusions

- c. installment contracts for the sale of property (including vehicles), if the agreement is producing income consistent with its fair market value. Fair market value and consistent income may be determined by contacting local realtors, assessors, etc. Treatment of income from installment contracts is found in FS 555-3.

Different
Chapter III

- d. certain jointly held assets that cannot be subdivided and the joint owner will not agree to sell;
- e. irrevocable trusts.

Different
Chapter III

NOTE: The following conditions must exist for a trust to be exempt : The agreement is not likely to cease; no household member has power to revoke or change it; the trustee is either a court, institution, etc. not under control of a household member or is an individual appointed by court which has imposed limitations on the use of funds; investments made on behalf of the trust do not involve or assist any business or corporation under the direction or influence of a household member; the funds held in trust were established either by a non-household member or, if established from the household's own funds, the trustee uses the funds solely for trust investments or to pay the educational or medical expenses of beneficiaries.

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CFR 273.8

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ASSET ELIGIBILITY STANDARDS

Asset Exclusions

5. resources that cannot be sold or disposed of for a significant return such as heir property;

A resource is considered inaccessible if its sale or other disposition is unlikely to produce any return, after estimated costs of sale or disposition and taking into account the ownership interest of the household, that is estimated to be one half or more of the applicable resource limit for the household. Verification that a resource meets this definition of inaccessible is not required unless the information provided by the household is questionable.

NOTE: This section does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments or to vehicles, such as boats, snowmobiles, and airplanes. It also does not apply to homes, including mobile homes, used primarily for vacation purposes.

6. household goods - such as furniture and appliances;
7. personal effects - such as clothing and jewelry;
8. prepaid funeral contracts, burial space, and the value of one bona fide funeral agreement per household member provided that the agreement does not exceed \$1500 in equity value, in which event the value above \$1500 is counted.
9. life insurance;
10. pension funds;
11. Keogh Plans which involve a contractual relationship with individuals who are not household members;
12. vehicles which are totally exempt (FS 333-3);
13. income producing real property - if the property is annually producing income consistent with its fair market value, even if only used on a seasonal basis;
14. tools and equipment necessary for employment - even if the person is not currently employed, the tools and equipment need not be producing income consistent with the fair market value;

* SPECIAL PROVISIONS FOR FARMERS

* Property, including licensed vehicles essential to self employment farming, shall continue to be excluded for one year from the date self employment farming was terminated.

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ASSET ELIGIBILITY STANDARDS

Asset Exclusions

Different
Chap. II, Sec. C,

15. government payments - to restore a home damaged in a disaster, provided the funds are restricted to this purpose;

NOTE: Payments from private insurance settlements are counted.

Same

16. assets which have been prorated as income such as -
- a. student income from grants and loans;
 - b. self-employment income;
 - c. contract income;

Same
Chap. II, Sec. B,

17. livestock - used to produce income or intended for family consumption;

Same
Chap. II, Sec. B,

18. Indian lands - held jointly with the Tribe;

19. assets excluded by Federal statute -

Same
Chap. II, Sec. B,

- a. payments resulting from Congressional action which specifically exclude such payment (examples - the Maine Indian Land Claims Settlement; The Agent Orange Settlement Fund);

Same
Chap. II, Sec. C,

- b. payments to Indian Tribal members regarding submarginal land held in trust by the U.S.;

Same
Chap. II, Sec. B,

- c. WIC benefits;

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ASSET ELIGIBILITY STANDARDS

Asset Exclusions

Same
Chapter III

- d. reimbursement from Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970;

Different
Chapter III

- e. payments received from JTPA;

Same
Chapter III

- f. payments from HEAP;

Same
Chapter III

- g. HUD retroactive tax and utility cost subsidy.

- 20. The assets of any household member who receives SSI or TANF or PaS are excluded when a household's total resources are calculated. This excludes certain assets in so-called mixed households.

Different
Chapter III

- 21. Earned income tax credits shall be excluded as follows:
 - a. A federal earned income tax credit received either as a lump sum or as payments under section 3507 of the Internal Revenue Code for the month of receipt and the following month for the individual and that individual's spouse.
 - b. Beginning 9/1/94, any federal, state, or local earned income tax credit received by any household member shall be excluded for 12 months, provided the household was participating in the Food Stamp Program at the time of the receipt of the earned income tax credit and provided the household participates continuously during that 12-month period. Breaks in participation of one month or less due to administrative reasons, such as delayed recertification, shall not be considered as nonparticipation in determining the 12-month exclusion.

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22. Matching awards of Savings Offer Success (SOS) made by Rural Opportunities, Inc. (ROI) to households that participate in their program are to be excluded as income and as a resource. The individual's contribution is not excluded as a resource.

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CFR 273.8

Section: **FS-333-2**

ASSET ELIGIBILITY STANDARDS

Asset Exclusions

TREATMENT OF EXCLUDED FUNDS

- | | |
|-----------------------|---|
| Same Chapter III | 1. Excluded funds kept in a separate account are exempt for an unlimited time. |
| Different | 2. Excluded funds that are deposited in an account with Chapter III other funds are only exempt for six months from date they are co-mingled. |
| | EXCEPTION: Earned income tax credits excluded at FS-333-2 #21b continue to be excluded for 12 months even if they are co-mingled with other funds. |
| Different Chapter III | 3. Student grants, deferred loans and self-employment funds are exempt for the period of time they have been prorated as income (FS 444-8). |

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TANF/PaS Reference

CFR 273.8

Section: **FS-333-3**

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ASSET ELIGIBILITY STANDARDS

Vehicles

Different
Chapter III

GENERAL RULE - The fair market value and/or equity value of all nonexempt vehicles is counted. Encumbrances are not considered in determining fair market value.

EXCEPTIONS:

If NADA book value does not apply (antique, custom or classic cars), a dealer appraisal will be required. If the car is not listed in the NADA Book or recipient claims the car is in less-than-average condition, recipient value may be accepted, unless questionable. If value will affect eligibility, require verification from a knowledgeable source.

Vehicles that are jointly owned by a household member and a non-household member who does not live with the household are excluded from countable resources provided that the vehicle is unavailable to the household member because the household member does not have possession of, or use of, the vehicle **and** the household member is unable to sell the vehicle because the signature of the co-owner is needed and he or she will not sign.

Inability to sell the vehicle is only one factor. If the household has use of the vehicle, it is not excluded due to joint ownership. If the household is not using the vehicle, but has possession of the vehicle, it is not excluded due to joint ownership.

NOTE: The fair market value of vehicles is found in NADA Book under Average Trade-in Value (excluding optional equipment, mileage or special equipment for disabled).

NOTE: A household is not limited to a certain number of vehicles per household size or per the number of licensed drivers. Each vehicle is to be evaluated separately.

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VEHICLES WILL BE EVALUATED AS FOLLOWED

	Fair Market Value Test (Average Trade-in Value) Fair Market Value - \$4,650.00 Excess Value	Equity Test Fair Market Value - Amount owed Equity Value
Producing income Includes vehicles needed to do a particular job. Includes vehicles deemed necessary by the employer. It does <u>not</u> include vehicles necessary for commuting to and from employment.	DO NOT count	DO NOT count
Used as a home	DO NOT count	DO NOT count
Transporting a <u>physically</u> disabled household member If disability is not evident, or if the disabled member does not receive disability payments, written proof of impairment must be produced by a physician.	DO NOT count	DO NOT count
Carrying heating fuel or water When such heating fuel or water is anticipated to be the primary source of fuel and water for the household during the certification period.	DO NOT count	DO NOT count
Value is inaccessible (sale would produce less than \$1500)	DO NOT count	DO NOT count
One vehicle per household	DO NOT count	DO NOT count
One licensed vehicle per adult member	USE this Rule	DO NOT count
Commuting to employment or job training or seeking employment	USE this Rule	DO NOT count
Additional licensed vehicles	Count the Greater of Fair Market or Equity Value	
Unlicensed vehicles	DO NOT count	USE this Rule

EXCEPTION: Vehicles on Indian Reservations not required to be licensed will be evaluated the same as licensed vehicles.

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CFR 273.8(I)

Section: **FS-333-4**

ASSET ELIGIBILITY STANDARDS

Transfer of Assets

GENERAL RULE - Disqualify for up to one year households that have knowingly transferred assets for the purpose of qualifying for FS benefits.

Disqualification Applies If the Assets were Transferred

in the three-month period prior to application.

OR

any time during the certification period.

Disqualification Does Not Apply If

assets transferred would not have otherwise affected eligibility.

assets were sold or traded at or near current market value.

transfers were made between members of the same household.

OR

transfers were made for a reason other than attempting to qualify for FS, such as placing funds in an irrevocable trust fund for a child's education.

The length of the disqualification period is based on the amount the assets would have exceeded the limit if the transfer had not occurred.

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CFR 273.8(i)

Section: **FS-333-4**

ASSET ELIGIBILITY STANDARDS

Transfer of Assets

DISQUALIFICATION PERIODS

Use the following chart to determine the disqualification period.

Amount in Excess of Asset Limit	Disqualification Period (Months)
\$ 0 to \$ 249.99	1
\$ 250 to \$ 999.99	3
\$1,000 to \$2,999.99	6
\$3,000 to \$4,999.99	9
\$5,000 or more	12
